

WS Opie Street Growth Fund

Fund Commentary

2024 saw equities deliver another year of positive returns, leading to the fund returning 9.8% for the year (inclusive of capital and income returns). The ongoing performance of the US tech giants ensured that global equity returns were once again dominated by the US, a trend which feels increasingly long in the tooth and where pockets of euphoria likely merit a degree of caution. The UK and Europe also enjoyed positive stockmarket returns in the year, albeit somewhat more subdued.

Market moves following the US election result re-enforced an increasingly prevalent sense of 'US exceptionalism'. Indeed, investors have been buoyed by optimism that Trump's policies of de-regulation and tax cuts stand to deliver strong economic growth in 2025 and that this continued momentum will lead to strong corporate earnings growth, supporting equity market returns. A Trump Presidency is not without risk of course and we should expect periods of volatility.

By contrast, the initial optimism seen in the UK following the general election was short lived, with the autumn Budget being long on tax rises, but short on growth. It is worthy of note that government borrowing costs (proxied by long-dated gilt yields) have risen towards the highest levels seen since the late 1990s, with similar moves experienced in many major government bond markets. European economies also weakened over the year as high energy costs and falling global demand hit the continent's exporters.

With inflation remaining stickier than many expected, hopes of material interest rate cuts through 2024 were dashed, with just two cuts delivered by the Bank of England, closing the year at 4.75%. In the context of a slower than expected pace of interest rate cuts, gilt yields rose, with gilt prices therefore falling. Prospective returns on such assets are undoubtedly attractive in the context of the relatively low level of associated risk and we therefore initiated an investment into gilts in the period, providing increased ballast should equity market volatility pick up in due course.

The fund's current positioning reflects our view that stockmarket performance should start to broaden out in time, as elevated valuations may prove a headwind to the share price performance of the world's largest companies. For example, within the fund is an important holding in a passive tracker fund providing highly diversified exposure to the US market but, crucially, to a variant of the S&P 500 Index for which each of the 500 companies has equal weight (as opposed to the typical market capitalisation weight, for which the US tech stocks dominate).

The JP Morgan Core Real Assets investment trust recently announced that, having struggled to gain sufficient traction since its IPO in 2019, it will now move to liquidate its portfolio of property, infrastructure and transportation assets, returning cash to shareholders. This follows a shareholder vote (which we participated in), agreeing to wind up the company, which we anticipate will deliver positive returns to shareholders and free up capital for re-deployment within the fund's portfolio.

Performance

Cumulative Performance to 31st December 2024

	3 months	6 months	1 year	3 years	5 years	Launch ³
Growth Fund ¹	3.1%	4.2%	9.8%	-3.6%	21.1%	28.4%
Benchmark ²	3.2%	4.4%	13.7%	18.9%	40.9%	43.3%

Discreet Calendar Year Performance

	2020	2021	2022	2023	2024
Growth Fund ¹	10.1%	14.1%	-17.7%	6.7%	9.8%
Benchmark ²	2.2%	15.9%	-6.1%	11.4%	13.7%

¹ R Accumulation Shares (net of fees).

² MSCI PIMFA Private Investor Growth Index (Total Return).

³ Fund launch date 1st August 2019.

Past performance is not a guide to future performance. Source: MSCI and Iress.

January 2025

Fund Objective & Policy

The investment objective of the Fund is to provide long-term (5 – 10 years) growth through a combination of capital and income, with an emphasis on capital.

The fund adopts a global investment approach, unconstrained by a formal benchmark, with a diversified exposure to a range of asset classes including equities (both UK and global), fixed interest (corporate bonds), alternatives (including infrastructure, real estate and private equity) and cash.

Typically at least 75% of the fund will be exposed to equities.

Investment Approach

The Fund's exposure is primarily achieved by investing in collective investments (including investment trusts, OEICs and ETFs).

The blend of active and passive strategies seeks to maximise returns, whilst minimising costs.

The funds are invested on a long-term basis, with low expected portfolio turnover.

Strategic asset allocation is a core focus given the associated contribution to long term investment returns, whilst helping to mitigate risk. Tactical asset allocation will enable flexibility to adjust to changing market conditions.

Asset Allocation

Fixed Interest	11.9%
• Sovereigns	7.1%
• Corporate Bonds	3.5%
• Cash	1.3%
Equities	75.2%
• UK Equities	17.8%
• Global Equities	57.4%
Alternatives	12.9%
• Real Estate / Assets	3.9%
• Private Equity	4.3%
• Infrastructure	4.7%

Portfolio Positioning

Sovereigns		JP Morgan Emerging Markets I/T	3.1%
iShares Treasury Bond 7-10 Yrs ETF	3.6%	Jupiter Global Equity Growth Fund	4.7%
Vanguard UK Gilt ETF	3.5%	Latitude Global Fund	6.1%
Corporate Bonds		Nomura Global High Conviction Fund	4.2%
Premier Miton Corporate Bond Fund	3.5%	Scottish Mortgage I/T	2.7%
UK Equities		Smithson I/T	3.5%
Fidelity Special Values I/T	3.6%	Trojan Global Income Fund	6.3%
Finsbury Growth & Income I/T	4.3%	Infrastructure	
M. Currie UK Rising Dividends Fund	4.7%	3i Infrastructure I/T	2.4%
Throgmorton I/T	3.3%	Cordiant Digital Infrastructure I/T	2.3%
TM Tellworth UK Smaller Co. Fund	1.8%	Private Equity	
Global Equities		Pantheon International I/T	2.1%
Blackrock Global Unconstrained Fund	5.2%	Schiehallion I/T	2.2%
Brown Advisory Global Leaders Fund	7.5%	Real Estate / Assets	
Heriot Global Fund	7.4%	JPM Global Core Real Assets I/T	1.9%
iShares S&P 500 Equal Weight ETF	6.7%	TR Property I/T	2.0%
		Cash	1.3%

Underlying Investment Classes

Investment Trusts	33.4%	ETFs	13.8%
OEICs	51.4%	Cash	1.3%

Fund Managers



Sam Matthews FCSI

Sam is a Chartered Fellow of the CISI and a graduate of Exeter University. Sam joined Barratt & Cooke in 2006 and is an Associate Director.



Edward Sidgwick CFA FCSI

Edward is a CFA Charterholder, a Chartered Fellow of the CISI and a graduate of Durham University. Edward joined Barratt & Cooke in 2011 and is an Associate Director.

Important Information

Market and exchange rate movements can cause the value of an investment and any income from it to fall as well as rise, and you may get back less than originally invested. The information contained within this document does not constitute investment advice and should not be used as the basis of any investment decision. References to specific securities are included for the purposes of illustration only and should not be considered as an investment recommendation. Although Barratt & Cooke considers the information in this document to be reliable, no warranty is given to its accuracy or completeness. The opinions expressed are expressed at the date of this document and may be subject to change without notice. All references to benchmarks are for comparative purposes only. The Fund is registered for distribution to the public in the UK. Investors should carefully read the Prospectus, Key Investor Information Document (KIID) and Supplementary Information Document (SID) for the Fund before making an investment decision. If you are in any doubt as to the suitability of the fund for you, please consult a professional advisor. Factsheet issued by Barratt & Cooke. Barratt & Cooke is the trading name of Barratt & Cooke Ltd (registered in England, No. 5378036), authorised and regulated by the Financial Conduct Authority (No. 428789). Waystone Management (UK) Ltd is authorised and regulated by the Financial Conduct Authority (No. 429093).

Key Fund Details

Launch Date	1st August 2019
Fund Size	£40.0m
Investment Manager	Barratt & Cooke
Fund Managers	Sam Matthews & Edward Sidgwick
ACD	Waystone Management (UK) Ltd.
Depository	The Bank of New York Mellon (International) Ltd
Auditor	KPMG LLP
Regulator	FCA
Structure	UK OEIC UCITS
Comparator Benchmarks	MSCI PIMFA Growth Index IA Mixed Investment 40-85% Shares Sector
Dealing	Daily (12 Noon)

Key Share Details

R Income Shares

Price (31/12/24)	494.48p
Distribution Yield	1.0%
Distribution Dates	31st March, 30th September
ISIN	GB00BJMHLY21

R Accumulation Shares

Price (31/12/24)	513.53p
ISIN	GB00BJMHLX14

Cost Details (R Share Class)

Annual Management Fee	0.75%
Underlying Fund Costs	0.77%*
Administration Costs	0.22%*
Ongoing Charges Figure	1.74%*

*Ex-ante figures.

All data as at 31st December 2024.